



City of San Marcos

630 E. Hopkins
San Marcos, Texas 78666

NEWS

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Amy Madison, President & CEO, Greater San Marcos Economic Development Corporation, 512.393.5907

Melissa Millicam, Director of Communications/ Intergovernmental Relations
512.393.8105 mmillicam@sanmarcostx.gov

Council Approves Solar Power Plant Agreement

The San Marcos City Council has approved an economic development agreement with International Power, a company that will build a \$74 million solar power plant generating 20 megawatts of electricity adjacent to the Hays Power Plant.

The City Council Monday approved a resolution for a Chapter 380 Economic Development Agreement, providing for no annexation into the city limits of a 137-acre site on Francis Harris Road for seven years.

The City will receive tax payments on the solar array that will be built on the Hays Power Plant's current site located on 100 acres inside the city limits, estimated at \$1.3 million in revenues over 20 years.

"This agreement will assist International Power in its investment in a solar farm that will generate wholesale electricity using the latest technology," said Mayor Susan Narvaiz. "We are delighted to support advances that will contribute to the region's clean power resources."

The "solar photovoltaic" project will convert sunlight into direct current electricity that will tie to existing Lower Colorado River Authority transmission lines and produce 20 megawatts of energy for resale. The City of San Marcos electric utility purchases its wholesale power from the LCRA.

International Power, one of the world's leading power generation companies operating in 21 countries, operates a wholesale power company in southeast San Marcos called Hays Power Plant.

The company plans to build the majority of the solar array on a 137-acre parcel in Hays County outside the city limits but contiguous to their current plant located on 100 acres inside city limits. The company considered two other locations – Victoria & Dallas – where they own property and have plants in operation.

Under the agreement, the plant will be called the San Marcos-Hays Solar Project. The pact allows the company to request a three-year extension on the no-annexation clause should the estimated valuations of the property be less than \$30 million in the seventh year.

“If the company is able to move as they predict, the San Marcos-Hays Solar Project will be in operation by 2013, making it one of the largest solar plants in the state,” said Amy Madison, President and CEO of the Greater San Marcos Economic Development Corporation.

“The project is an all-win for the company, San Marcos and Hays County. It has no negative impact on the environment and it broadens our strong focus on green energy and sustainable development.” Mayor Narvaiz said.

A ground breaking is planned for later this year.

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